

(c) whether the Union Government propose to transfer DTC to the Delhi Government; and

(d) if so, the details thereof?

THE MINISTER OF SURFACE TRANSPORT (SHRI T. G. VENKATRAMAN) : (a) The total loss suffered by DTC as on 31.3.1996 is as under :

(Rs. in crores) (Provisional)

Working loss (excluding interest & depreciation)	Net Loss (including interest & depreciation)
Rs. 670.50	Rs. 2060.55

(b) and (c). Yes, Sir.

(d) A decision on the transfer and modalities thereof is yet to be taken

[Translation]

#### Investment of Multinational Companies

\*52. KUMARI UMA BHARATI : Will the Minister of FINANCE be pleased to state :

(a) whether the Government is preparing any list of such consumer goods of less priority in which investment of multinational companies would be discouraged

(b) if so, the details thereof, and

(c) the time by which a final decision is likely to be taken in this regard?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) to (c) The Common Minimum Programme of the Government seeks to discourage entry of Multinationals into low priority areas through suitable fiscal and other measures. However, a list of low priority areas has not yet been decided upon.

[English]

#### Shares of Reliance-Industries

\*53. SHRI R L P VERMA : Will the Minister of FINANCE be pleased to refer to the reply given to Unstarred Question No. 2983 on December 15, 1995 regarding Shares of Reliance Industries and state :

(a) whether Securities and Exchange Board of India (SEBI) has since completed the inspection of Reliance Consultancy Services Ltd. (RCS) regarding issue of duplicate shares

(b) if so, the outcome thereof and the action taken thereon, and

(c) if not, the reasons for the delay?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) : (a) Yes, Sir.

(b) The Inspection reports of SEBI contain, inter alia, the following main findings :

- (i) A total number of 4.89 lakh duplicate shares were issued by Reliance Consultancy Services Ltd. (RCS) during the period April 1990 to October, 1995;
- (ii) Some duplicate share certificates had been issued while the original share certificates were in existence, which fact was very much in the knowledge of RCS
- (iii) RCS by not transferring and delivering the shares lodged by some investors before April 1, 1994, within two months has violated provisions of section 113 of Companies Act, 1956;
- (iv) RCS while acting as Registrars to the Issue and Share Transfer Agents to Reliance Industries Limited (RIL) had violated the SEBI (Registrars to an Issue and Share Transfer Agents) Regulations

Based upon an examination of the findings in the Inspection Reports, the Registrar of Companies (ROC), Mumbai, in the Department of Company Affairs (DCA), has on 7th June, 1995/6 issued show cause notices to RIL, RCS and its other officers in default for contraventions of Sections 84 (2), 84 (3), 84 (4) and 113 of the Companies Act, 1956. After considering the replies to the show cause notices, DCA has asked ROC, Mumbai on 5th July, 1996 to take action to file prosecution in an appropriate Court against RIL, and all the officers in default including RCS for contraventions of Sections 84 (2), 84 (3), 84 (4) and 113 (1) of the Companies Act, 1956 in regard to the matter relating to issue of duplicate shares.

The Enquiry Officer, who was appointed by SEBI under SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, for enquiring into the alleged lapses of RCS has since completed the enquiry. Depending upon the findings of the Enquiry Officer, SEBI would take necessary action in the matter.

(c) Question does, not arise

[Translation]

#### Rural Banks

\*54. SHRI VIRENDRA KUMAR SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether the number of branches of rural banks are higher than the branches of other banks in the country,

(b) whether the Government propose to merge these banks for improving their functioning;

(c) whether rural banks are incurring losses in the absence of such a merger;

(d) if so, the details thereof, and

(e) whether the pay-scales revised in 1995 are not being given to the employees of rural banks?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) (a) No, Sir.

(b) In the past, various alternatives including merger were considered for revamping the Regional Rural Banks (RRBs), and a decision has been taken to revitalise them on a "stand alone" basis

(c) and (d). No, Sir. While most of the RRBs are incurring losses, the losses are mainly attributable to high establishment costs, low margins, low business volumes relative to branch network and poor recoveries

(e) Does not arise since no pay revision has been effected in the RRBs in 1995-96

[English]

#### Duty Evasion by Manufacturers of Polyester Staple Fibre

\*55 SHRI SANAT KUMAR MANDAL : Will the Minister of FINANCE be pleased to state

(a) whether the anti-evasion Directorate of the Central Board of Excise and Customs (CBEC) has initiated investigations to recover over Rs 1000 crore of Central Excise duty allegedly evaded by manufacturers of polyester staple fibre (PSF) and its users

(b) if so, the technique followed in such polyester staple fibre duty evasion.

(c) the outcome of the investigations made, and

(d) the measures taken to prevent such evasion of Central excise duty by these polyester staple fibre manufacturers and its users?

THE MINISTER OF FINANCE AND MINISTER OF COMPANY AFFAIRS (SHRI P. CHIDAMBARAM) (a) to (d) The Directorate General of Anti Evasion of the Central Board of Excise & Customs have initiated investigations on receipt of information against some manufacturers of Polyester Staple Fibres and spinners of yarn. The investigations conducted so far have revealed, prima facie, evasion of Central Excise duty of the order of Rs. 15 crores

Investigations conducted show that the said manufacturers were clearing sub-standard quality of fibre or low as 'waste', attracting lower rate of Central Excise Duty. Some users of such fibres/tow had

claimed that the yarn manufactured by them was not excisable as it contained more than 50% 'waste' in combination with viscose.

Based on investigations conducted so far a show cause notice demanding central excise duty of Rs.24.79 lakhs has been issued to one of the fibre manufacturers. Investigations in respect of others are in progress.

In order to prevent such evasion, steps were taken in the Budget of 1995-96 to amend the duty structure of 'waste' of PSF and all other man-made fibres by placing them under a common sub-head. A minimum excise duty of Rs.10/- per kg. was also prescribed for all such 'wastes'. A further change was made to the effect that the expression 'staple fibre' shall include 'waste' of synthetic staple fibre of filament and waste of artificial staple fibre or filament, so that yarn manufactured even by use of waste fibres pays duty

#### Tram System in Delhi

\*56 SHRI HARIN PATHAK : Will the Minister of SURFACE TRANSPORT be pleased to state

(a) whether the Government have taken any decision for provision of High Speed Tram System in the National Capital Territory of Delhi,

(b) if so, the details thereof and the funds allocated for the purpose, and

(c) the time by which it is likely to be implemented?

THE MINISTER OF SURFACE TRANSPORT (SHRI T. G. VENKATRAMAN) : (a) The proposal for the introduction of High Speed Tram System in the National Capital Territory of Delhi on Build, Operate, Transfer (BOT) basis is under consideration of the Government

(b) and (c) Do not arise

[Translation]

#### Income Tax Payers

\*57 SHRI ANANTH KUMAR : Will the Minister of FINANCE be pleased to state

(a) the total number of income-tax payers during the year 1994-95,

(b) whether the number of income tax payers have increased during 1995-96 over the corresponding year 1994-95,

(c) whether any action has been taken to simplify the income tax process so that revenue earned from income can be increased, and

(d) if so, the details thereof?